THE MANITOBA 2000 CHILD POVERTY REPORT CARD

Our Children, Our Future...

Our Progress Towards an Agenda for Action

Child Poverty in Manitoba: Toward an Agenda for Action

Child poverty is a pervasive problem which effects us all. In times of economic prosperity, it is easy to forget that even in Canada, there are those who go without what many of us take for granted. Of these individuals, children are among the hardest hit.

Growing up poor effects every aspect of a child's life. It is associated with serious health consequences, difficulties in school and a wide variety of other negative outcomes later in life. Growing up in poverty is a disadvantage that no child should have to face.

One year ago, the Social Planning Council of Winnipeg, the lead Manitoba partner of Campaign 2000, published *"The Manitoba 1999 Child Poverty Report Card: An Agenda for Action"*, which documented the urgent needs of Manitoba's poor children, and proposed a program for a locally initiated, child-focused "Agenda for Action", to decrease child poverty and its effects. We document some modest improvements in Manitoba with respect to child poverty, yet it is clear that poverty continues to effect a very large number of Manitoba children.

Despite our modest improvements, child poverty remains a serious problem in Manitoba.

Campaign 2000

Campaign 2000 evolved out of a unanimous Resolution passed by the Canadian House of Commons in November, 1989, which called for the elimination of child poverty in Canada by the year 2000.

In 1991, a broad coalition of national, provincial and local partners came together as Campaign 2000, in order to promote and secure the full implementation of the House of Commons Resolution.

Campaign 2000 is a non-partisan, cross-Canada coalition of over 70 national, provincial and community partner organizations, including the Social Planning Council of Winnipeg.

"Despite our modest improvements, child poverty remains a serious problem in Manitoba."

Social Planning Council of Winnipeg

The Social Planning Council of Winnipeg (SPC) is a membership based organization in the voluntary sector committed to providing leadership in social planning and effecting social policy changes.

This involves working with diverse communities in identifying and assessing community issues, needs and resources; and working with policy-makers, funding agencies, service providers, ethnocultural and Aboriginal groups, and the general public in Winnipeg to respond to socio-economic issues and needs.

The Manitoba Campaign 2000 Network is a coalition of over 100 organizations, organized under the sponsorship of the Social Planning Council of Winnipeg, dedicated to the support of Campaign 2000 initiatives within Manitoba.

Child Poverty Rates Improve Modestly

In 1998, 23.6%, or nearly one in four, Manitoba children lived in poverty. This represents 63,800 children within our province.

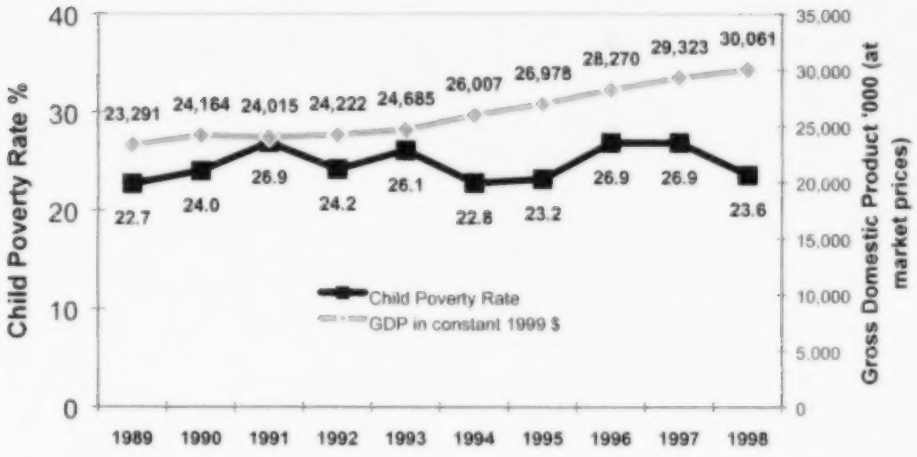
While the child poverty rate for Manitoba has decreased from 26.9% in 1996 and 1997, it is still 0.9% above 1989 levels. As well, when one tracks the trends in child poverty rates over the last decade, it becomes clear that we have seen similar reductions before, only to see these improvements vanish in the following years. Improvements in child poverty rates are unconnected to economic growth, specifically when one compares these rates with changes in the provincial Gross Domestic Product (GDP).

Throughout the last decade, Manitoba has consistently ranked among the worst three provinces with respect to child poverty. Manitoba's rate is now third among provinces, behind Newfoundland at 25.1% and Quebec at 23.8%.

The lowest provincial child poverty rates occurred in Prince Edward Island (12.4%) and British Columbia (14.8%).

"In 1998, 23.6%, or nearly one in four, children lived in poverty in Manitoba."

Annual Provincial Gross Domestic Product & Child Poverty Rate, Manitoba 1989 - 1998



Source: Manitoba Bureau of Statistics and Canadian Council on Social Development

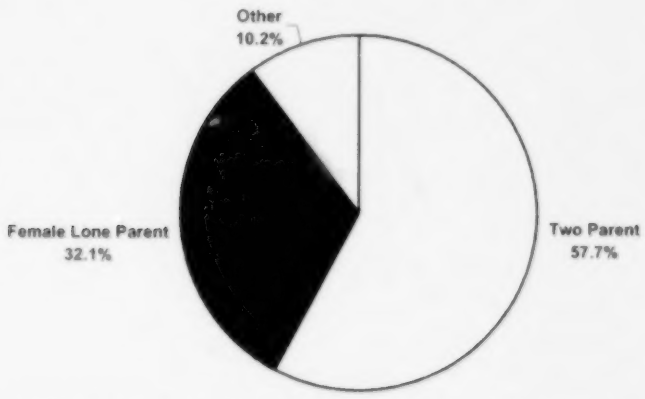
Child Poverty: Who is at Risk?

Despite Manitoba's progress since 1997, child poverty remains a serious concern. While certain groups face an increased risk, poverty is not limited to these groups alone.

In 1998, 67.5% of children in female headed lone parent families and 42.1% of children living in other non-dual parent families lived below the poverty line. While only 16.4% of children from dual parent families lived below the poverty line in 1998, numerically, these families make up well over half (57.7%) of all poor children in Manitoba.

Aside from single parent families, Aboriginal children, children with a disability and visible minority children are at a much higher risk of living in poverty.

Distribution of Poor Children by Family Type, Manitoba 1998



Source: Canadian Council on Social Development using Statistics Canada's Survey of Labour and Income Dynamics

The Role of Government Transfers

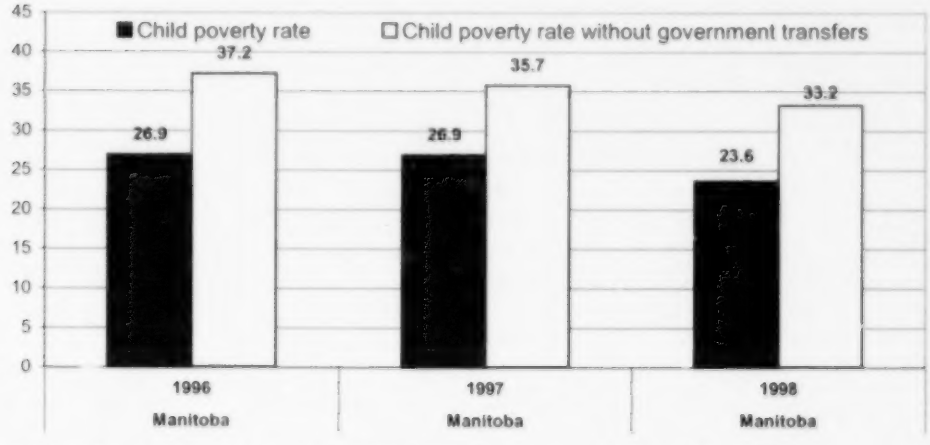
When it comes to fighting child poverty, government transfers play a key role. Through measures such as employment insurance benefits, income tested subsidies to families and social assistance, transfer payments can be a key factor in reducing inequities with respect to income.

In 1998, 23.6% of all children in Manitoba were living in poverty. This rate would have been 33.2% were it not for government transfers to families. On average, over the period 1996-1998, government transfers have been responsible for reducing child poverty by 9.6%.

If Manitoba is to effectively combat child poverty, methods of income redistribution play a central role. Economic growth alone is not enough.

"Economic growth alone is not enough."

Manitoba Child Poverty Rate Before & After Government Transfers, 1996 - 1998

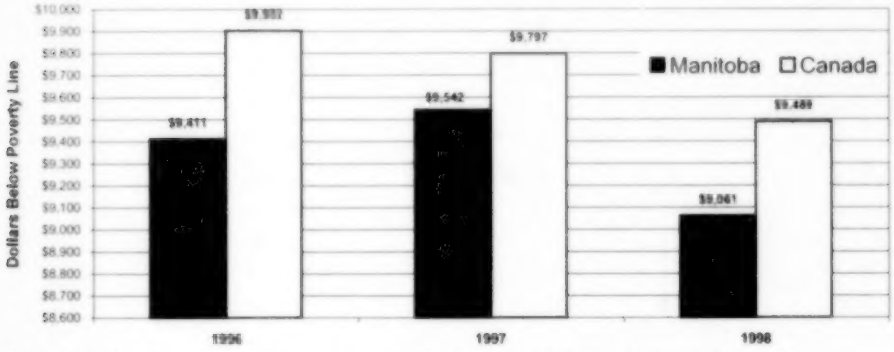


Source: Canadian Council on Social Development using Statistics Canada's Survey of Labour and Income Dynamics

While, on average, poor families in Manitoba live closer to the poverty line than do poor families throughout Canada, they still would require more than $9,000 in additional income just to reach the poverty line in 1998.

In 1998, the average depth of poverty for poor families in Manitoba was $9,061 compared with $9,411 in 1996 (in constant 1998 dollars). Despite the small gains made, we are still far from where we need to be.

Depth of Poverty for Poor Families With Children, Manitoba & Canada 1996 - 1998 (constant 1998 $)



Source: Canadian Council on Social Development using Statistics Canada's Survey of Labour and Income Dynamics

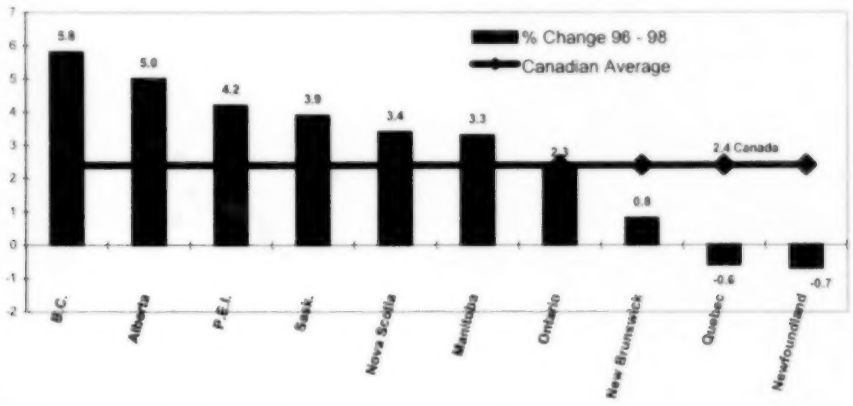
Progress Across Provinces: How Manitoba Compares

"Manitoba currently ranks sixth with respect to progress between 1996 and 1998."

While Manitoba's child poverty rate has improved between 1996 and 1998, this improvement is far behind that of many other provinces.

- Manitoba's improvement of 3.3 percentage points is slightly higher than the Canadian average improvement of 2.4 percentage points.
- Manitoba currently ranks sixth with respect to progress between 1996 and 1998.
- The greatest improvement was seen in British Columbia which saw a decline in child poverty rates of 5.8 percentage points between 1997 and 1998.

Percent Reduction in Child Poverty by Province, 1996 - 1998



Source: Canadian Council on Social Development using Statistics Canada's Survey of Labour and Income Dynamics

Making Child Poverty a Priority: Government Progress Toward an Agenda for Action

In November, 1999, the Social Planning Council of Winnipeg released *"The Manitoba 1999 Child Poverty Report Card: An Agenda for Action"*. The Agenda for Action, developed in conjunction with the Manitoba Campaign 2000 Network and many community partners, documented the seriousness of Manitoba's child poverty problem and outlined a multi-pronged strategy for combating child poverty in our province.

We recognize that some important first steps have been made to eliminate child poverty in our province, much more work is needed to translate these gains into long-term relief for Manitoba's families.

Meeting the Short Term Needs

While the most effective strategy for eliminating child poverty in Manitoba involves the development and implementation of long-term solutions, a variety of short term measures are required to address the immediate needs of those living in poverty in Manitoba.

Employment and Income Assistance Program

Agenda Recommendation

- Undertake a review of the Employment and Income Assistance Program, with the objective of improving inadequate benefit levels which prevent families from meeting the basic needs of children.
- Automatically index benefits to the Consumer Price Index, annually.
- Develop an independent, fair and accessible appeal procedure. Recipients should be included among the membership of the appeal body.

Progress Made

- *While the current appeal system for social assistance recipients is being reviewed and some changes have been made, a comprehensive review of the social assistance program has not been announced.*
- *The indexation of benefits to prevent erosion due to inflation has not occurred.*

Despite the continued media attention regarding welfare cuts in Ontario, statistics demonstrates that over the past decade Manitoba has quietly reduced social assistance benefits for couples with two children at a far greater rate than Ontario or any other province in Canada.

Between 1989 and 1999, welfare benefits in constant dollars for couples with two children have fallen by 27.3% compared to 19.2% in Ontario. Lone parent families experienced a 18% decline (Source: National Council of Welfare, 2000).

"...Manitoba has quietly reduced social assistance benefits for couples with two children at a far greater rate than Ontario or any other province in Canada."

The National Child Benefit Supplement

Agenda Recommendation

- End the clawback of the National Child Benefit (NCB) Supplement to social assistance recipients:
    - by the end of 1999 for families with children under six years of age;
    - by establishing a timetable to terminate the clawback for other families, to be fully implemented by March 31, 2000.

Progress Made

- *The clawback has not ended.*

In the March, 2000 Provincial Budget, the Government of Manitoba announced a partial end to the clawback, effective July, 2000, by allowing future enhancements to the NCBS to flow to those on social assistance and providing welfare families with children under six with roughly one-third of the existing federal benefit.

Although this is encouraging, it fails to completely address the issue. We therefore challenge the provincial government to publicly announce a plan to completely eliminate the clawback by the third year of the government's mandate.

Other Income Supports to Children and Families

"We therefore challenge the provincial government to publicly announce a plan to completely eliminate the clawback by the third year of the government's mandate."

Agenda Recommendation

- Undertake a review of benefits available to working poor families with children, such as the Child Related Income Support Program (CRISP) and Shelter Allowance for Family Renters (SAFFR), with the objective of increasing benefits to adequate levels and acknowledging the needs of families on social assistance.

Progress Made

- *No review has been announced.*

Given that CRISP and SAFFR benefits are under-utilized and benefit levels are low, there is an urgent need to focus on strategies to either improve these programs or replace them with more relevant and effective mechanisms of redistribution. For example, the yearly average number of CRISP cases has declined from 3,365 in 1996/97 to 1,888 in 1998/99 (*Source: Manitoba Family Services Annual Report, 1998-1999*). This is likely as a result of the extremely low benefit levels ($30 per month), and limited awareness of these programs.

With respect to alternative mechanisms, British Columbia and Saskatchewan provide potential models, such as the integrated provincial child benefits received by all families with children under 18 and delivered through an existing Revenue Canada mechanism.

Minimum Wage

Agenda Recommendation

- Begin to move the minimum wage to 60% of average Manitoba weekly earnings, and accomplish this by 2003.'
- After 2003, annually index the minimum wage to the Consumer Price Index so that wage rates are not eroded by inflation.
- Work with labour and employers to bring benefits for part-time workers in line with full-time workers.
- Tie tax concessions and loans to business to job creation that would move the average sized family out of poverty.

Progress Made

- *No progress has been made.*

Through recent announcements, the government has indicated support for an increase in the minimum wage rate to $6.25 and has committed to an annual review of this rate through the 1999 Speech from the Throne. However, these commitments have yet to be acted upon. Thus far, no commitments have been made to index the minimum wage to prevent erosion due to inflation. As well, there is no indication that the government will move toward a raise in the minimum wage rate to the recommended 60% of the average Manitoba weekly earnings.

Investment at the Neighbourhood level

Agenda Recommendation

- Invest in local communities by establishing an initial $1 million demonstration fund to foster the development of the skills and capacities of residents in low-income communities to positively change their communities.

Progress Made

- *Investments have been made to specific regions through Neighbourhoods Alive!*

Under Neighbourhoods Alive!, support has been provided for community organizations in rebuilding and maintaining local neighbourhoods. As well, efforts directed through Healthy Child Manitoba, such as parent-child centres and pre-natal nutrition programs, have great potential to contribute, in a positive way, toward our communities.

While the Neighbourhoods Alive! Program represents a significant step toward increasing the health and well-being of our communities, many of Manitoba's poorest communities (I.e., Portage La Prairie) lie outside of the three urban centres (Winnipeg, Brandon and Thompson) targeted by the program. As well, even within the targeted areas, many neighbourhoods are not covered under the initiative. It is important that the government work toward providing similar opportunities to areas outside the program's current scope.

"Thus far, no commitments have been made to index the minimum wage to prevent erosion due to inflation."

A Strategy for Long Term Solutions

When it comes to combating child poverty, short term strategies are not enough. Central to any coordinated effort, there must be integrated and comprehensive medium and long term strategies that not only work toward reducing child poverty levels in Manitoba, but help to maintain progress made. While there is great value in addressing the immediate needs of poor children in Manitoba, it is these longer term sustainable solutions that will ultimately provide the best future possible for all Manitoba's children.

Reinvestment of National Child Benefit Supplement Clawback

Agenda Recommendation

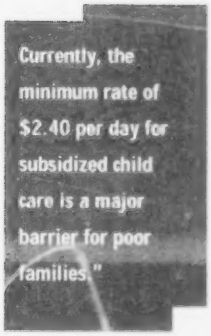
- Review the programs funded with NCB Supplement dollars clawed back from social assistance recipients, and determine which programs should be retained and funded from general revenues.

Progress Made

- *No progress made, thus far.*

While no results have been reported we have been informed that these programs are currently under review.

Child Care



Agenda Recommendation

- As a first priority, implement strategies to ensure child care can recruit and maintain an adequate workforce.
- Review the Quebec model of child care, with the objective of making a similar system of early childhood care and education available to all Manitoba children.

Progress Made

- *$9 million has been allocated to child care in the 2000 Budget.*
- *Additional funding for children with disabilities will contribute to increased accessibility for these services.*

While the above actions will go far in addressing Manitoba's urgent child care problem, increased efforts must occur to ensure that child care spaces are accessible to those at lower income levels. Given that child care has the potential to counter many negative effects of poverty, strategies should be developed to ensure that all poor families have access to affordable child care.

Currently, the minimum rate of $2.40 per day for subsidized child care is a major barrier for poor families. Removing this barrier would have substantial developmental benefits to children. In addition, child care should be made available at no cost to children of families on social assistance who could benefit from attending.

Housing

Agenda Recommendation

- Adopt a leadership role in housing by developing a provincial housing policy with the necessary resources to address the needs of low-income families. Such a program should consider access to adequate rental housing; home ownership (perhaps by using social assistance rental dollars); cooperation with the City of Winnipeg to maintain regulations and quality standards; and new housing initiatives. For example, renovation and construction of housing could create jobs and provide training for neighbourhood residents.

Progress Made

- *Developed a $22 million tri-partite single-window housing initiative to give community groups a means to implement their own strategies to combat homelessness and housing issues.*
- *Dedicated an additional $1 million per year to neighbourhoods outside of Winnipeg.*
- *Announced the expansion of the Residential Rehabilitation Assistance program.*

While these developments are encouraging, the extent to which it has had broad community involvement is questionable. As well, they should be accompanied by a long-term strategy to improve and maintain housing stock, particularly in the inner-city. This long-term plan should include options for poor families to own their own homes and to maintain them over time. Such a plan must include a strong educational and community development approach to ensure that supports are available to help build sustainable solutions that work.

Education and Training

Agenda Recommendation

- Develop a strategy to enhance access by parents living in poverty to training which will lead to long-term labour force attachment in adequately paid jobs.
- Review the effectiveness of Kindergarten (K) to Senior 4 (Grade XII) education programming for children living in poverty, and recommend action to enhance this effectiveness.

Progress Made

- *Allocated funding for increasing college enrolment capacities and implemented a 10% cut to university tuition fees.*
- *Provided $30 million for kindergarten to Senior 4 programs.*

Despite these developments, a lack of attention to special access programs for those who have grown up in poverty means that significant barriers still exist. As well, the current practice of allowing unrealistically short periods of education and training for those on social assistance represents major problem for those attempting to achieve independence.

Adult learning centres have received support. However, emphasis should be directed toward community and voluntary sector organizations rather than the private, for-profit entities which currently administer a number of centres.

"...a lack of attention to special access programs for those who have grown up in poverty means that significant barriers still exist."

Community Schools

Agenda Recommendation

- Consider how the use of school facilities could be maximized, both during school hours and after-school hours, for such activities as:
    - vocational training
    - educational support services (e.g. literacy programs, computer laboratories, libraries)
    - healthy leisure activities
    - support and friendship groups

Progress Made

- *Little progress made.*

Despite this announcement of a "Lighthouse Program" to enable the after-hours use of schools for recreational activities, little progress has been made toward increasing the accessibility of schools to children, their families and local community groups. In consultation with school board s and local community groups, it is imperative that the provincial government act to allow for expanded use of schools. As well, these programs must be expanded beyond recreational programs, to include a broad range of services following the lead of community organizations such as Andrews Street Family Centre, St. Mathews Maryland Community Ministry and Turtle Island Community Centre.

Supports to Parents in Training

"In consultation with school boards and local community groups, it is imperative that the government act to allow for the expanded use of schools."

Agenda Recommendation

- Develop a non-stigmatizing program to provide financial assistance and other necessary supports, such as child care, to parents in training.

Progress Made

- *Little has been announced.*

While the announcement of additional funding for child care targeted toward children with disabilities is positive, a broader approach is needed to ensure that barriers, such as basic telephone access and transportation, to furthering education are removed. One way of accomplishing this would be to provide better coordinated income support between education and training and social assistance.

Job Creation

Agenda Recommendation

- Develop a strategy for private and public sector job creation to strive for long-term, full employment at adequate wages.

Progress Made

- *Some strategies have been developed but many jobs do not provide a "living wage".*

While there is mention of a community economic development approach in the latest provincial budget, we have seen little progress toward ensuring that newly created jobs offer a adequate wages over the long-term.

Strengthening Community Centres

Agenda Recommendation

- In cooperation with the City of Winnipeg, develop incentives and support for community centres to provide a broader range of, and accessible and affordable programs, for young children and their families. This is especially important in low-income neighbourhoods.

Progress Made

- *Limited success of limited scope.*

While there are some scattered instances of inter-governmental cooperation with respect to community centres, there is currently little in the way of progress toward this recommendation. While traditionally, the issue of community centre supports has been viewed as an issue for the municipal government, we believe that this view is outdated. While few examples of partnerships exist, one initiative, the General Byng Youth Action Centre serves as an example of the positive impact of inter-governmental cooperation in the provision of supports to community centres. The expansion of this model into the inner city and throughout the province is a necessary requirement.

Disadvantaged Populations and Groups

Agenda Recommendation

- Involve disadvantaged populations – Aboriginal people, visible minorities, and parents of children with disabilities – when developing policies and programs.

- Ensure that policies and programs are responsive to these populations (by addressing their particular needs and by being culturally appropriate).

Progress Made

- *Minimal movement has occurred.*

When it comes to creating and implementing public policies and programs, the involvement of Aboriginal people, visible minorities and parents of children with disabilities is key.

While there has been some movement (such as the Metis and First Nations Child and Family Services and recent budget commitments to address employment barriers for Aboriginal people) in this area it has been minimal at best. Specifically, regularized mechanisms for the involvement of urban Aboriginal and visible minority populations must be developed. Despite calls for increased attention to urban Aboriginal issues, there has been no announcement of an integrated urban Aboriginal Strategy. As well, there has been no movement toward increasing supports for children in care and emancipated youth. If policies and programs are to be most effective, we must go beyond consultations to active participation of interest groups.

"...the involvement of Aboriginal people, visible minorities and parents of children with disabilities is key."

Next Steps for a Child Poverty Free Manitoba?

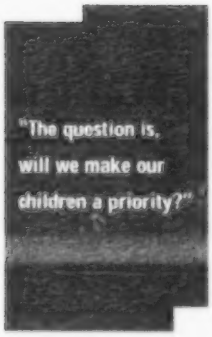
As we move forward into the next millennium, we must choose the legacy we wish to leave our children. If we are to have strong and vibrant communities, we must invest in our future, not only through economic growth, but through developmental opportunities for our children. While this report documents some modest improvements with respect to the status of our children in Manitoba, there still exists significant cause for concern. With nearly one in four children still living in poverty in Manitoba, we must act now to ensure the best future possible for our children. This involves taking an honest look at surplus spending and tax cuts, and assessing the impact of these actions on children. While the issue of tax cuts is indeed appealing to many Manitobans, we must recognize that these cuts come at a cost to our children and our future. In essence, reduced taxation, while immediately beneficial to upper income Manitobans, sets us up for a reduced future capacity to provide solid services for children and families.

In a recently conducted public opinion poll, individual Manitobans were asked to provide their view on the seriousness of the child poverty problem in Manitoba. Not surprisingly, a great deal of concern was expressed with over 90% of all individuals indicating some degree of concern and over 60% indicating serious to very serious concern. What was most striking, however, was that concern for child poverty was not limited to specific groups. For example, results indicated that child poverty was not an issue limited to those in poverty, those in urban areas, or those with children. In essence, child poverty is not a "special interest issue".

Just as concern for child poverty is expressed by all types of people, it will take all types of people to create meaningful and effective solutions. As we proceed onward, it is important to realize that solutions that work, are solutions that involve all of society, including individuals, community groups, the voluntary sector, government and the private sector. Of specific importance is a more coordinated effort among all parties involved.

It is clear that if we are to address the issue of child poverty in our communities we all have a role to play.

The question is, will we make our children a priority?



Special Thanks to...

The Social Planning Council of Winnipeg would like to express thanks to all those who contributed to this report.

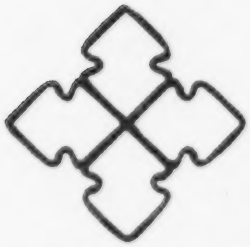
Special thanks the Manitoba Campaign 2000 Network, a group of over 100 organizations committed to the elimination of child poverty. We also wish to thank the Canadian Council on Social Development for data provided.

A Note on Methodology

Recent changes in the way Statistics Canada collects income information account for why data estimates in this report card vary slightly from information published in previous years. Statistics Canada has replaced the Survey of Consumer Finances (SCF), an annual cross-sectional income survey, with the Survey of Labour and Income Dynamics (SLID), a longitudinal survey which follows groups over time.
While much of the content of the two surveys overlaps, differences in sampling variability and response rates result in different population counts. Income estimates remain remarkably similar but differences remain. For example, SLID shows more people with low incomes while SCF shows more people without any income. From this point forward, Statistics Canada will draw data prior to 1996 from the SCF while data after 1996 will be taken from the SLID.

Throughout this report, the term "child" represents those under the age of 18.

Unless otherwise stated, all data cited are from Statistics Canada – Survey of Labour and Income Dynamics.



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